Original: English

FTAA - TRADE NEGOTIATIONS COMMITTEE

GUIDANCE AND INSTRUCTIONS TO THE FTAA ENTITIES

MARKET ACCESS NEGOTIATIONS

To facilitate the evaluation of initial offers in goods, countries whose base tariffs and initial offers were expressed in different nomenclatures are requested to present the corresponding conversion table. Furthermore, revised offers are to be presented, to the extent possible, on the basis of Harmonized System 2002.

After examining the proposal to conduct a study of each country's base rate notification, the TNC concluded that in order to authorize the Tripartite Committee to carry out this study, terms of reference approved by the NGMA would be needed. The NGMA is instructed therefore to examine the matter and report to the TNC at its next meeting. In the event that an agreement is reached on said terms of reference, the NGMA should submit those terms of reference, after consulting the NGAG, for the consideration of the TNC at its next meeting so that the TNC can decide whether to request the Tripartite Committee to prepare this study.

The TNC instructs the NGAG to intensify its discussions on all issues on its agenda, in particular those related to export subsidies and to all the other practices that distort trade in agricultural products, including those that have an equivalent effect to agricultural export subsidies, without any exceptions and without prejudging the outcome, in accordance with the mandates of the Buenos Aires and Quito Ministerial Declarations. The TNC encourages all delegations to submit new proposals. The TNC instructs the Chair of the NGAG to report, in future meetings, on the progress made in these issues.

The TNC urges delegations that have yet to present their initial offers in the Groups on Services, Investment, and Government Procurement to exercise their best endeavor to do so as soon as possible.

The TNC instructs the Chairs of the Groups on Services and Investment to hold a joint meeting of their respective groups for the purpose of discussing commercial presence/investment in services (Mode 3) and, if the groups so decide, to hold other joint meetings on this subject.

TEXT AND OTHER ISSUES

In order for Ministers at the Miami Ministerial to have a full and clear vision of the overall structure of the agreement, the TNC recognizes the need to design an overall structure of the agreement and to harmonize the formats of the individual chapters.

The TNC instructs the Technical Committee on Institutional Issues (TCI) to develop a proposed architectural framework for the agreement to be submitted for TNC review at its next meeting in July, and based on TNC discussion and guidance, to propose, if necessary, a revised framework for review and approval by the TNC at its September meeting.

In addition, the TCI is instructed to prepare a template for the draft chapters and to submit it to the TNC at its July meeting. Once the template is approved by the TNC, it will be forwarded to the negotiating groups and the TCI to conform their draft chapters in advance of submitting them to the TNC 8 weeks prior to the Ministerial.

The TNC instructs the NGDS to review incorporation by reference of WTO provisions, including the definition and legal effects of "incorporation by reference," and make a recommendation to the TNC at its next meeting about the implications of using this drafting device and possible language for its use.

CONSULTATIVE GROUP ON SMALLER ECONOMIES

Hemispheric Cooperation Program

In order to fulfill all the mandates contained in paragraph 18 of the Quito Ministerial Declaration, the CGSE is instructed to develop and submit to the next meeting of the TNC a plan of action for the convening of meetings of the CGSE, inviting appropriate development and financial officials, international financial institutions, international agencies, and interested private entities, to discuss financing and implementation of the HCP. The first such meeting should be held sufficiently in advance of the Miami Ministerial to permit consideration of the results of this meeting by Ministers.

Differences in the levels of development and size of economies

The TNC reminds all the Negotiating Groups, the TCI, the SOC, and the Chairs to include in their reports to the TNC a section on the treatment accorded to the issue of differences in the levels of development and size of the economies.

The TNC agrees that the instruction contained in Quito Annex I, point 2, for all the Negotiating Groups to include in their reports to the TNC a section on the treatment accorded to the issue of differences in the levels of development and size of the economies, applies not only to the negotiating groups, but to the Technical Committee on Institutional Issues as well.

The TNC agrees that the instruction set forth in paragraph 17 of the Quito Ministerial Declaration, regarding translating into specific measures the guidelines and directives for the treatment of differences in levels of development and sizes of economies (FTAA.TNC/18), applies to the negotiating groups, as well as to the Technical Committee on Institutional Issues (TCI).

The TNC reiterates its guidance contained in TNC/21/Rev.1 paragraph 7, and Ministers' instruction contained in Quito Annex I, point 2 that the Chairs of the FTAA Negotiating Groups and other entities must maintain a timely and adequate flow of information with the Chair of the Consultative Group on Smaller Economies. The TNC agrees that this is the responsibility of the Chairs of the Negotiating Groups, the TCI, and the SOC, and that carrying out this mandate does not require the approval of the respective Negotiating Group, the TCI, or the SOC.

TRANSPARENCY AND PARTICIPATION OF CIVIL SOCIETY

CIVIL SOCIETY MEETINGS HELD PARALLEL TO SOC MEETINGS

The TNC instructs the SOC to organize a series of issue meetings that are open to civil society representatives immediately before or after its regularly scheduled meetings in 2003 and 2004.

METHODOLOGY:

- Venue of the meetings: The venue of these meetings shall rotate among the FTAA countries.
- **Participation:** The decision to send governmental representatives to the issue meetings will be at each country's discretion. Participation will not be compulsory. Participants will consist of governmental representatives and a limited number of non-governmental representatives. The Chairs of the relevant FTAA entities are encouraged to attend these meetings, if possible.
- **Issue meetings:** Issues will be identified by the SOC, based on the issues on the agenda of the FTAA negotiations.
- **Reports:** At the end of each meeting, the Chair, with the assistance of the Tripartite Committee, will be responsible for drafting a factual report that reflects the various viewpoints presented at the meeting. A

consolidated report, which could be titled "Deliberations of the Civil Society Committee on the issue ...", shall be presented for consideration by the TNC.

TRANSPARENCY AND CIVIL SOCIETY PARTICIPATION IN THE FTAA PROCESS

Further to the Quito Ministerial mandate on "Transparency and Civil Society Participation" (Paragraphs 29-35 of the Quito Declaration), the TNC instructs the Committee of Government Representatives on the Participation of Civil Society (SOC) to undertake the following work, and the SOC Chair to report to the TNC on the progress achieved in relation to this work, as prescribed below:

Work items to be completed before the San Salvador TNC meeting (July 2003):

Open and Permanent Invitation

In keeping with the mandates contained in Paragraphs 33 and 34 of the Quito Declaration, the SOC will take the necessary measures to post, with the assistance of the Tripartite Committee and of the FTAA Administrative Secretariat, on an ongoing basis, the executive summaries of civil society contributions that are received in response to the SOC's Open and Permanent Invitation on the official FTAA web site, in the FTAA working languages (Spanish and English), and, if applicable, the entire submissions in their original language, in order to increase the transparency of this important communication channel and to give impetus to a greater number of contributions from civil society in response to this Invitation.

Work items to be completed before the Port-of-Spain TNC meeting (Sept. 2003):

The official FTAA website

Pursuant to Paragraph 33 of the Quito Declaration, where Ministers "instruct the [SOC] to foster a process of increased and sustained two-way communication with civil society to ensure that it has a clear perception of the development of the FTAA negotiation process", and further "instruct the TNC to ensure the timely improvement of the official FTAA website and the incorporation of more information on the FTAA process", the SOC will develop recommendations concerning this mandate for the consideration of the TNC. Specifically, the SOC will develop, with the assistance of the Tripartite Committee, concrete recommendations on how to improve the design, use, accessibility, and content of the website. The recommendations on the content should focus on enhancing the information provided on the official web site regarding the FTAA process.

Best practices for outreach and consultation with civil society

In line with Paragraph 33 of the Quito Declaration, where the Ministers "instruct the [SOC] to continue its work to keep promoting transparency, and to identify and foster the use of best practices for outreach and consultation with civil society", the SOC will develop a document on best practices for disseminating information to civil society and to increase their participation in the FTAA process at the national and/or regional levels for consideration by the TNC.

Public statements and press communiqués

Pursuant to Paragraph 33 of the Quito Declaration, where the Ministers reiterate "that all the FTAA entities, including the TNC, are to issue public statements at the conclusion of each of their meetings", and further instruct the TNC to "to provide guidance to the entities to so as to ensure a substantial increase in the quality of the information provided [in these statements]", the SOC will develop concrete recommendations related to the enhancement of the information provided in public statements, including press communiqués, for the consideration of the TNC.

Civil society committee

The TNC instructs the SOC, in coordination with the TCI, to study the possibility of establishing, after the entry into force of the FTAA, a civil society committee within the institutional architecture of the FTAA, for the consideration of the TNC. This committee could be modeled on the SOC document on best practices and on similar experiences of civil society participation that exist in other multilateral and regional institutions such as the OAS, the United Nations, MERCOSUR, the European Union, CARICOM, Andean Community, etc.

OTHER RESOLUTIONS OF THE TNC

RULES AND PROCEDURES

The TNC agreed to suspend the addressing of Rules and Procedures as an item on its agenda.